

City of Holtville

Quarterly Financial Report First Quarter of 2005-2006

October 17, 2005

OVERVIEW

The accompanying financial statements reflect the City's overall financial position for the fiscal year through September 2005. Except as noted below, revenues and operating expenditures are generally on target based on past trends for the first quarter.

Adjusted Budgets. The budget report includes supplemental appropriations totaling \$169,061 approved by the City Council as of September 30, 2005. The Budget adjustments are summarized below:

Project Description	Department	Source	Amount
Senior Assistance Pgm	Finance	RDA	15,360
CDF Grant Match	Fire	General	17,775
Relocation Guidelines	Comm. Dev.	RDA	1,500
Commercial Meters	Water Meters	Water	58,646
Wastewater Plant Expansion	WWTP	Sewer	69,880
BLM Grant Match	Fire	General	900
Graffiti Abatement Pgm	Police	RDA	5,000
Total Adjustments			\$ 169,061

GENERAL FUND

General Fund Financial Condition. With 25% of the year complete, General Fund revenues are at 17% of projections and expenditures are at 28% of budget as summarized below:

General Fund Balance	Budget	YTD Actual	Percent
Revenues	2,073,208	353,634	17%
Expenditures	2,122,291	603,221	28%
Other Sources (Uses)	(7,500)	-	0%
Balance, Start of Year	410,544	410,544	-
Balance, Year-to-Date	353,961	160,957	-

Top Ten Revenues. Our top ten revenues account for 93% of total General Fund revenues. By focusing on these, we can get an excellent understanding of our revenue position. Overall, these key revenues are performing below what was projected based on apportionment schedules and past trends for the first quarter. Any significant variances are noted below.

Top Ten Revenues	Budget	YTD Actual	% Received
Sales tax	87,880	39,542	45%
Property tax	189,164	12,437	7%
Utility tax	420,594	84,204	20%
Vehicle in-lieu (VLF)	321,040	9,796	3%
Business License Fees	10,290	1,339	13%
Franchise fees	100,983	21,853	22%
Development review fees	72,636	23,165	32%
Transfer In	616,740	114,555	19%
County Fire Contract	91,505	-	0%
Interest on investments	13,912	3,478	25%
Total	1,924,744	310,369	16%

- **Sales tax.** This key revenue source is reported 20% higher than projected.

- **Property taxes.** These reflect apportionment payments made to us by the County as of September 30, 2005. The revenues are reported lower in this quarter than any other since payments are distributed to cities in April, May, November and December of each year. The Mid-Year totals will be significantly higher for this reason.

- **Vehicle License Fees.** The City receives a monthly apportionment from the State; the first quarter amount recorded is a lot less than the other primary revenues. The VLF payments are based on population and the net amount available for distribution. The largest amount recorded was for the month of September; the City received \$1.05 per capita, totaling \$6,184.

- **County Fire Contract.** The fire contract is billed on a quarterly basis; therefore the first quarter payment was not received until the month of October. The fire department is currently reorganizing its billing office and the County will be billed on a monthly basis.

Expenditures. At 27% through the first quarter, operating costs are running a bit higher than the 25% target.

- The significant variance in Non-Departmental reflects the City's annual premium of General Liability insurance and Property/Automobile insurance, which is due in August of each year.
- The Streets Maintenance Budget is 4% over as a result of repair services performed on the Street Sweeper.
- The PW Admin. Budget is 5% above target because of unforeseen vehicle maintenance fees.
- Dispatch services are also above target because of costs associated with overtime hours accumulated by part-time dispatchers because of a staff shortage.

Department Name	Budget	YTD Actual	% Expended
City Council	36,595	10,178	28%
City Manager	163,434	39,584	24%
City Planning	75,500	8,956	12%
City Clerk	32,661	4,550	14%
Finance	124,486	31,637	25%
City Treasurer	2,050	450	22%
City Attorney	36,460	7,532	21%
Non-Departmental	90,740	85,564	94%
Police	594,078	133,449	22%
Dispatch Services	131,913	36,115	27%
Animal Control	23,286	1,424	6%
Fire	468,756	118,619	25%
Public Works Admin	13,015	3,960	30%
Fleet Maintenance	3,320	431	13%

Street Maintenance	150,864	44,250	29%
Parks	111,877	33,137	30%
Buildings Maintenance	59,816	18,498	31%
Total Departmental	2,118,851	578,334	27%

ENTERPRISE FUNDS

The following summarizes year-to-date revenues, expenditures and changes in working capital for the enterprise funds. Overall, revenues and expenditures are as predicted for the first quarter. A Capital Improvement Schedule has been adopted for the Water and Wastewater funds; however, unless funds are available projects will not be initiated. The only CIP project that is in progress is the purchase of the commercial meters. Bids are being sought for the installation of the meters; the total amount budgeted for this project is \$100,000. The "Other Sources and Uses" line item in the table represents transfers to the General fund for common costs incurred.

Water Fund

Working Capital	Budget	YTD Actual	Percent
Revenues	1,159,532	238,770	21%
Expenditures			
Operating programs	793,398	196,582	25%
CIP projects	100,000	58,646	
Debt service	314,000	-	0%
Other Sources (Uses)	(105,030)	(24,506)	23%
Balance, Start of Year	95,652	95,652	-
Balance, Year-to-Date	(57,244)	54,688	-

Sewer Fund

Working Capital	Budget	YTD Actual	Percent
Revenues	873,381	213,245	24%
Expenditures			
Operating programs	788,163	287,913	37%
CIP projects	-	-	
Debt service	145,000	85,048	59%
M/O Reserve	50,000	-	0%
Other Sources (Uses)	(105,030)	(24,506)	23%
Balance, Start of Year	344,111	344,111	-
Balance, Year-to-Date	129,299	159,890	-

Trash Fund

Working Capital	Budget	YTD Actual	Percent
Revenues	685,040	155,461	23%
Expenditures			
Operating programs	706,066	175,127	25%
CIP projects	-	-	
Debt service	-	-	
Other Sources (Uses)	(76,272)	(18,763)	25%
Balance, Start of Year	194,661	194,661	-
Balance, Year-to-Date	97,363	156,231	-

SPECIAL FUNDS

Transportation Funds

Working Capital	Budget	YTD Actual	Percent
Revenues	317,522	20,380	6%
Expenditures			
Operating programs	216,000	3,020	1%
CIP projects	-	-	
Other Sources (Uses)	(493,890)	(48,982)	10%
Balance, Start of Year	501,172	501,172	-
Balance, Year-to-Date	108,804	469,550	-

Note. The Transportation funds include State Highway User tax funds, Local Transportation funds, Local Transportation Authority funds, and Pedestrian/Bike path funds. The revenues collected are below the 25% targeted amount, but this is generally on target when compared to past trends. Gas tax monies are received once every two months.

Redevelopment Fund

Working Capital	Budget	YTD Actual	Percent
Revenues	530,681	80,271	15%
Expenditures			
Operating programs	387,173	74,239	19%
Set-A-Side Expend.	44,553	4,540	10%
Debt-Service	149,600	89,504	
Other Sources (Uses)	(112,790)	(25,798)	23%
Balance, Start of Year	636,565	636,565	-
Balance, Year-to-Date	473,130	522,755	-

Note. The Redevelopment fund continues to be financially stable and as a result supports City Parks operations costs that were once paid through the General Fund. The revenues received reflect the year-to-date secured/unsecured property taxes apportioned for the project area. The bulk of the monies are not received until November, December, April and May of each fiscal year.

GRANT FUNDS

Community Development Block Grant Funds

Working Capital	Budget	YTD Actual	Percent
Revenues	96,300	29,770	31%
Expenditures			
Operating programs	85,260	2,547	3%
CIP projects	200,000	-	0%
Other Sources (Uses)	-	-	
Balance, Start of Year	523,026	523,026	-
Balance, Year-to-Date	334,066	550,249	-

HOME Funds

Revenues	606,000	2,300	0.4%
Expenditures			
Operating programs	15,000	-	
CIP projects	-	-	0%
Other Sources (Uses)	(585,000)	-	
Balance, Start of Year	108,197	108,197	-
Balance, Year-to-Date	114,197	110,497	-

State COPS

Working Capital	Budget	YTD Actual	Percent
Revenues	101,710	100,000	98%
Expenditures			
Operating programs	117,251	14,081	12%
CIP projects	-	-	0%
Other Sources (Uses)	-	-	
Balance, Start of Year	232,702	232,702	-
Balance, Year-to-Date	217,161	318,621	-

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Electronic Distribution to Department Heads

Within the past six months the City has been successful in obtaining over \$3.4 million in grant funds. The projects that will be funded with grants awarded are:

- Community Center
- Regional Surface Transportation Project to re-align Orchard Road and 4th Street with Highway 115
- Alamo River Bridge Improvements
- Owner Occupied Housing Rehabilitation
- Wetlands Project land acquisition
- Fire safety equipment
- Fire Personnel training

Bureau of Land Management

Working Capital	Budget	YTD Actual	Percent
Revenues	66,000	-	
Expenditures			
Operating programs	5,000	2,686	0%
CIP projects	61,000	-	0%
Other Sources (Uses)	-	-	
Balance, Start of Year	10,701	10,701	-
Balance, Year-to-Date	10,701	8,015	-

California Department of Forestry

Working Capital	Budget	YTD Actual	Percent
Revenues	17,775	-	0%
Expenditures			
Operating programs	17,775	-	0%
CIP projects	-	-	0%
Other Sources (Uses)	-	-	
Balance, Start of Year	-	-	-
Balance, Year-to-Date	-	-	-

FEMA Fund

Working Capital	Budget	YTD Actual	Percent
Revenues	15,500	15,500	100%
Expenditures			
Operating programs	23,541	23,541	100%
CIP projects	-	-	0%
Other Sources (Uses)	-	-	
Balance, Start of Year	18,906	18,906	-
Balance, Year-to-Date	10,865	10,865	-

Bureau of Reclamation**SUMMARY**

For more information. This summary is based on detailed information produced by the City's financial management system. If you would like additional information, or have any questions about the report, please call the Department of Finance at 356-4685.